

05/08/03

**SUBJ: PRODUCTION & AIRWORTHINESS NATIONAL POLICY EVALUATION
PROGRAM**

- 1. PURPOSE.** This order establishes and describes the Federal Aviation Administration (FAA) Production and Airworthiness National Policy Evaluation Program.
- 2. DISTRIBUTION.** This order is distributed to the Washington Headquarters division levels of the Flight Standards Service; to the branch levels of the Aircraft Certification Service; to the branch levels in the regional Flight Standards Divisions and Aircraft Certification Directorates; to all Flight Standards District Offices; to all Aircraft Certification Offices, Aircraft Certification field offices, and all Manufacturing Inspection District and Satellite Offices; to the Aircraft Certification and Flight Standards Branches at the FAA Academy; to the Suspected Unapproved Parts Program Office; and to the Brussels Aircraft Certification Division and Flight Standards Staff.
- 3. BACKGROUND.** The Production and Airworthiness National Policy Evaluation Program has a two part objective. First, it is a program to ascertain directorate compliance to the Production and Airworthiness Division (AIR-200) established national policy. Secondly, it will assess the clarity and effectiveness of policy issued by AIR-200 for use in a functional environment. This program may replace the portion of the field office assessments currently being conducted by the directorates to ascertain compliance to AIR-200 national policy. It is not intended to replace or alter those portions of the field office assessments pertaining to other directorate policy or guidance. The Production and Airworthiness National Policy Evaluation Program evaluations are conducted by members of the MIO, MIDO, MISO, CMO, CMU, and AIR-200.
- 4. EFFECTIVE DATE.** Effective May 9, 2003, all FAA managing offices must adopt the practices contained herein related to the Production & Airworthiness National Policy Evaluation Program in accordance with this order.
- 5. FORMS AND REPORTS.** Examples of forms and reports applicable to specific applications are found at the end of the section as referenced in the text.
- 6. AUTHORITY TO CHANGE THIS ORDER.** The issuance, revision, or cancellation of the material in this order is the responsibility of the Aircraft Certification Service, Production and Airworthiness Division, AIR-200.
- 7. RELATED PUBLICATIONS.** FAA Order 1800.60, Aircraft Certification Service Internal Evaluation Program.

8. DEVIATIONS. Adherence to the procedures in this order is necessary for uniform administration of this directive material. Any deviations from this guidance material must be coordinated and approved by AIR-200. If a deviation becomes necessary, the FAA employee involved must ensure the deviations are substantiated, documented, and concurred with by the appropriate supervisor. The deviation must be submitted to AIR-200 for review and approval. The limits of federal protection for FAA employees are defined by Title 28 United States Code § 2679.

9. RESPONSIBILITIES. The following are the assigned responsibilities under this program:

a. AIR-200 will be responsible for:

(1) Establishing and chairing the joint scheduling and implementation committee comprised of a representative from AIR-200 and from each directorate MIO.

(2) Maintaining the standardized evaluation criteria used during national policy evaluations.

(3) Maintaining the annual schedule for evaluations, which includes: date of the evaluation, offices to be evaluated and team leader and evaluator names.

(4) Determining national policies to be evaluated for each fiscal year.

(5) Monitoring on a quarterly basis, corrective actions and follow-up activities provided by the MIOs.

(6) Revise national policy with concurrence of the Manufacturing Inspection Management Team, as necessary.

(7) Developing and providing an annual report to the Director, Aircraft Certification Service consisting of a roll-up of all the activities for the fiscal year.

(8) Providing periodic performance reports to the Aircraft Certification Management Team.

b. The MIO will be responsible for:

(1) Providing resources to serve as a team leader or team member(s) on the scheduled evaluations.

(2) Providing budget to accomplish the planned evaluation activities including any follow-up actions.

(3) Providing a representative from the MIO to serve on the joint scheduling and implementation committee.

c. The joint scheduling and implementation committee members will be responsible for:

(1) Development of the annual schedule for the evaluations. The schedule will include the offices to be evaluated, the dates of the evaluation and the team leader and evaluator names.

(2) Reviewing and updating the standardized evaluation criteria and developing new standardized evaluation criteria, when necessary.

(3) Identifying areas of national policies to be evaluated each fiscal year.

(4) Monitoring on a quarterly basis, the corrective actions and follow-up activities as provided by the field offices.

(5) Performing any follow-up activities necessary to verify corrective action implementation and effectiveness.

(6) Providing a quarterly report to AIR-200 with the status of corrective actions taken for national policy noncompliance. Once all actions are complete, a final closure report will be submitted to AIR-200.

d. The field offices evaluated will be responsible for:

(1) Performing a root cause analysis for any national policy noncompliance.

(2) Developing and implementing a corrective action plan for any national policy noncompliance.

(3) Providing a quarterly report to the MIO joint scheduling and implementation committee member with the status of corrective actions taken for national policy noncompliance.

10. PROCEDURE. The following subparagraphs describe the steps in the Production and Airworthiness National Policy Evaluation Program process:

a. Develop the Evaluation Schedule. Beginning with FY 04, the joint scheduling and implementation committee will develop an evaluation schedule within the first 90 days of each new fiscal year. When developing the evaluation schedule for the year, AIR-200 and the MIOs will ensure that each MIDO, MISO, CMU and CMO are evaluated on a four-year cycle. This will necessitate approximately eight evaluations per fiscal year. The schedule will address specific national policy subject to evaluation for that given fiscal year.

b. Select Evaluation Team Leader and Team Members. Normally the evaluation team will consist of a team leader and one team member. AIR-200 will provide a team leader on four of the eight evaluations conducted each fiscal year. The MIOs will provide a team leader on the other four evaluations. The one team member will be selected from MIO personnel when the team leader is provided by AIR-200, or from AIR-200 personnel when the team leader is provided by a MIO. If the size and scope of the evaluation necessitates a larger team, other team members may be selected from MIO/MIDO/MISO/CMO/CMU personnel.

c. Notification. The MIO and AIR-230 manager will notify the offices to be evaluated, and the team leaders and team members of their selection, within 10 days of completion of the annual schedule.

d. Evaluation Preparation. At least two weeks prior to an evaluation, the evaluation team leader and team members will review the evaluation criteria and develop any new or specific criteria that may be needed.

e. Conduct the Evaluation. Beginning in FY 04, the scheduled evaluations will be conducted during the second and third quarters of each fiscal year (January 1st – June 30th). The evaluation team will use the standardized criteria developed for these evaluations, and will conduct the evaluation by reviewing documents, observing activities, and interviewing key individuals in the MIDO, MISO, CMO, or CMU being audited.

f. Documenting the Evaluation. The team leader of the evaluation will provide a status of the evaluation to the office manager at the end of each day. A final report documenting the results of the evaluation will be provided to the office manager at the end of the evaluation. The team leader will also provide copies of the report to the MIO, directorate manager and AIR-200 within 15 working days following the conclusion of the evaluation. The completed evaluation report shall consist of the following:

(1) A cover memorandum (see example, appendix 1) documenting what was evaluated, the dates of the evaluation, a list of noncompliances observed, and

(2) All completed Internal Evaluation Noncompliance Forms (see example, appendix 2).

g. Determination of Root Causes. The office that received the evaluation shall analyze the evaluation report and determine the root cause of any noncompliance found. The responsible MIO will review and concur with the root cause determination.

h. Corrective Action Plan Preparation. The evaluated office shall analyze the final results of the evaluation. When noncompliances with national policy are identified, the office which had the noncompliances will be required to take corrective action. The office will prepare a corrective action plan (CAP) which identifies the root cause of the noncompliance, actions taken to correct the existing noncompliance, and actions taken to prevent recurrence of the noncompliance. A schedule shall be included showing anticipated completion dates for the corrective actions if necessary. The responsible MIO will review and concur with the CAP.

i. Corrective Action Plan Implementation and Validation. The manager of the evaluated office shall verify all of the corrective actions have been implemented and the noncompliances corrected. Upon completion of these actions, the manager will send a written response to the MIO notifying them that all the actions are complete. The MIO will forward the response to AIR-200 after they have completed their review and concur with the response. Within three months of completion, the MIO will validate that the corrective actions have been completed and the noncompliances corrected.

j. Corrective Action Plan Reporting. The MIO will provide a quarterly report to AIR-200 on the status of all corrective actions until the actions are complete and the noncompliances are corrected. If the MIO concludes, based on the root cause analysis and the CAP, that national policy should be revised, the MIO will forward the recommendation for policy revisions to AIR-200 for consideration. AIR-200 will revise the national policy if necessary. AIR-200 will also consider best practices discovered and observed during evaluations for incorporation into national policy.

k. Annual Report. During the fourth quarter of each fiscal year, AIR-200 will review the results of all the evaluations and prepare an annual report to the Director of the Aircraft Certification Service.

11. RECORDS MANAGEMENT. Refer to Orders 0000.1, 1350.14, and 1350.15, or your office Records Management Officer (RMO)/Directives Management Officer (DMO) for guidance regarding retention or disposition of records.

/s/

Frank P. Paskiewicz, Manager
Production and Airworthiness Division

APPENDIX 1. FINAL EVALUATION REPORT - COVER MEMORANDUM

Subject: AIR-200 National Policy Evaluation Program Date: [Insert date]
Evaluation conducted at [Insert office identifier for MIDO, CMO, MISO or CMU]

From: [Insert name of evaluation team leader]

To: [Insert name of MIO manager]

1. During the period of (insert dates of evaluation), an evaluation was conducted to ascertain the [insert office identifier for MIDO, CMO, MISO, or CMU]s compliance to the [insert AIR-200 national policy]. The following noncompliances were documented:

- a. [List noncompliance]
- b. [List noncompliance]
- c. [List noncompliance]

2. The specifics of each noncompliance are attached to this cover memo as National Policy Evaluation Noncompliance Forms.

3. For each specific noncompliance, please determine the root cause and corrective action. Document these items on each National Policy Evaluation Noncompliance Form.

If you have any questions, please contact me at telephone number [insert number] at your convenience.

[Signature of evaluation team leader]

[Type name of evaluation team leader]

Attachments:

[List attachments here]

APPENDIX 2. NATIONAL POLICY EVALUATION NONCOMPLIANCE FORM

National Policy Evaluated:

Evaluated Office:

National Policy Requirement(s):

Noncompliance:

Evaluated Office Signature:

Evaluation Team Leader Signature:

Date:

Date:

**Section
A**

Root Cause and Proposed Corrective Action:

Evaluated Office Signature: _____ Date:

**Section
B**

Follow-up/Verification of Corrective Action:

MIO Manager Signature: _____ Date:

**Section
C**

APPENDIX 2. NATIONAL POLICY EVALUATION NONCOMPLIANCE FORM (CONTINUED)

Section A

National Policy Evaluated – Identifies the specific national policy on which the review was performed. Insert title and date of policy evaluated.

Evaluated Office – Identifies office evaluated to the national policy and who worked with the evaluation team leader in completing the form.

National Policy Requirement(s) – identifies the specific requirements of the national policy that was reviewed.

Noncompliance – An operating practice that is not performed in accordance with a national policy.

Signatures – This form allows for both the evaluated office and the evaluation team leader to sign the form, indicating acknowledgement of the noncompliance found and results achieved during the review.

Section B

Root Cause/Corrective Action – The manager or designee will explain the root cause along with the proposed corrective action(s). A schedule for implementation of the corrective action will also be provided.

Signature – The manager or designee will sign and date the explanation of the root cause and proposed corrective action to be taken to resolve the noncompliance.

Section C

Follow-up/Verification of Corrective Action – The responsible MIO manager will validate the corrective action to preclude further noncompliance.

Signature – The responsible MIO manager will sign and date the form showing that a review of the corrective action has been conducted and that the proposed corrective action is appropriate to the noncompliance. In the event that the corrective action has not been implemented, a second form will be completed with a copy of the original form attached and sent to senior management for review and corrective action.